

Welcome to the

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2010 Business Outlook

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# 2010 Business Outlook



January 27, 2010

*businessfirst* a better way

Building business through relationships

- Understanding needs of local businesses
- Solving problems
- Identifying barriers to business growth



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# *businessfirst* a better way

- Face-to-face dialogue with local business leaders
- City and Chamber staff, along with trained volunteers
- Feedback on a broad range of issues
  - Workforce
  - Housing
  - Education
  - Tax structure
  - Quality of life



# *businessfirst* adding value

- 1,100 visits to local businesses since 2006
- 25% customers received specialized service from partners
- Contacts with City government and Chamber for future issues/needs

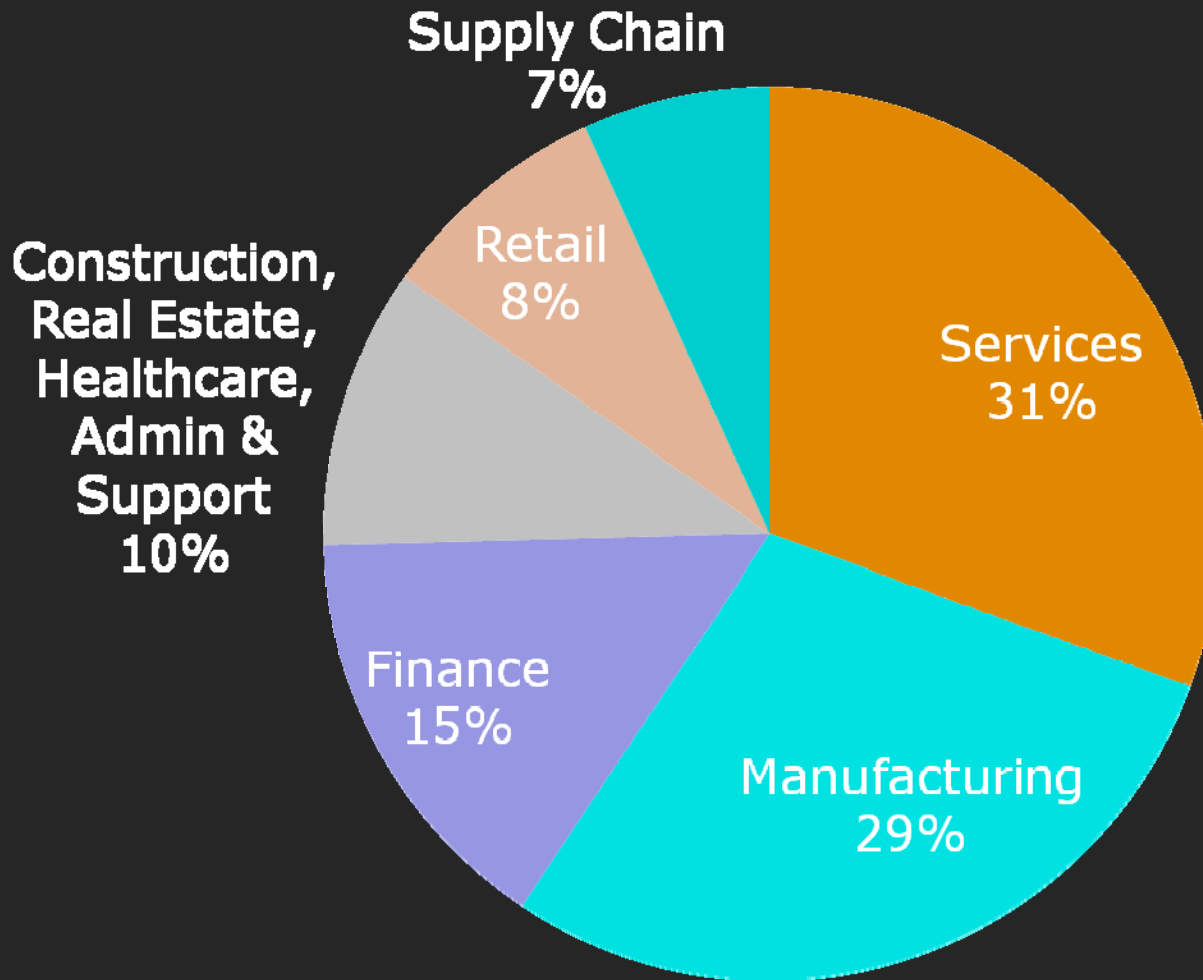


# *businessfirst* 2010 outlook survey

- October – December 2009
- 166 businesses participated
- 55% corporate or divisional headquarters
- 24% employ over 100
- 59% employ less than 50
- 30,000 jobs
  - 8% of jobs in Mecklenburg County



# *businessfirst* by industry sector



# *businessfirst* major themes

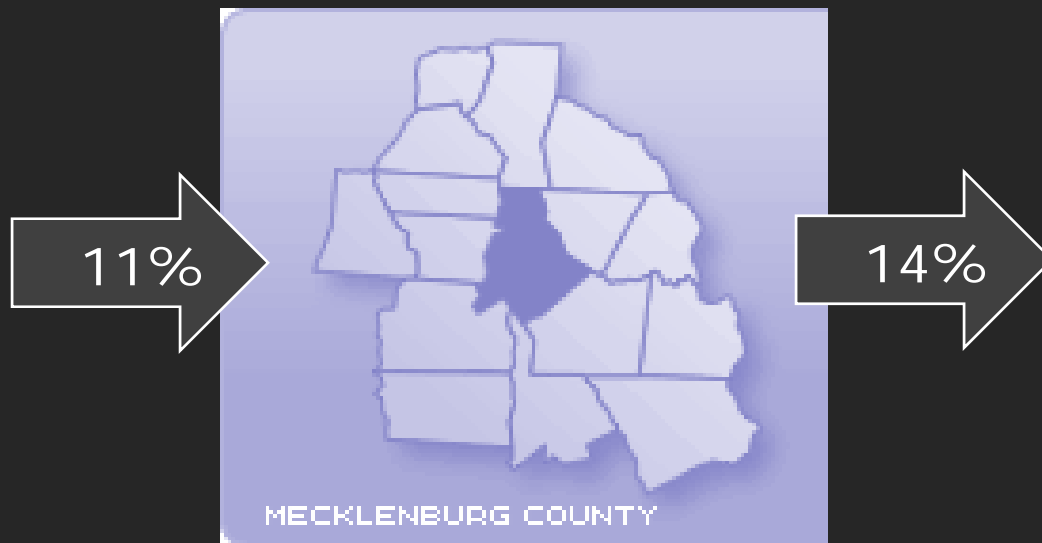
- Jobs and Business Retention
- Profitability and Growth
- Charlotte's Business Climate



# *businessfirst* jobs and business retention

## Local economy stabilizes in 2010; modest job growth anticipated

- 30,004 in 2009
- 31,251 in 2010 (+3.9%)



## Charlotte is a stable base of operations

- 69% of sales occur in the local or regional marketplace
- 93% expect no change in local leadership in 2010
- 15% expect to expand their local facility in 2010



# *businessfirst* profitability and growth

## **Sales begin to rebound; Cautious optimism about revenue**

- 67% expect to see an increase in sales (over half by 10% or more)
- 50% ended 2009 with relatively stable cost structure and strong sales totals
- Only 16% see a continued slide in sales



# *businessfirst* profitability and growth

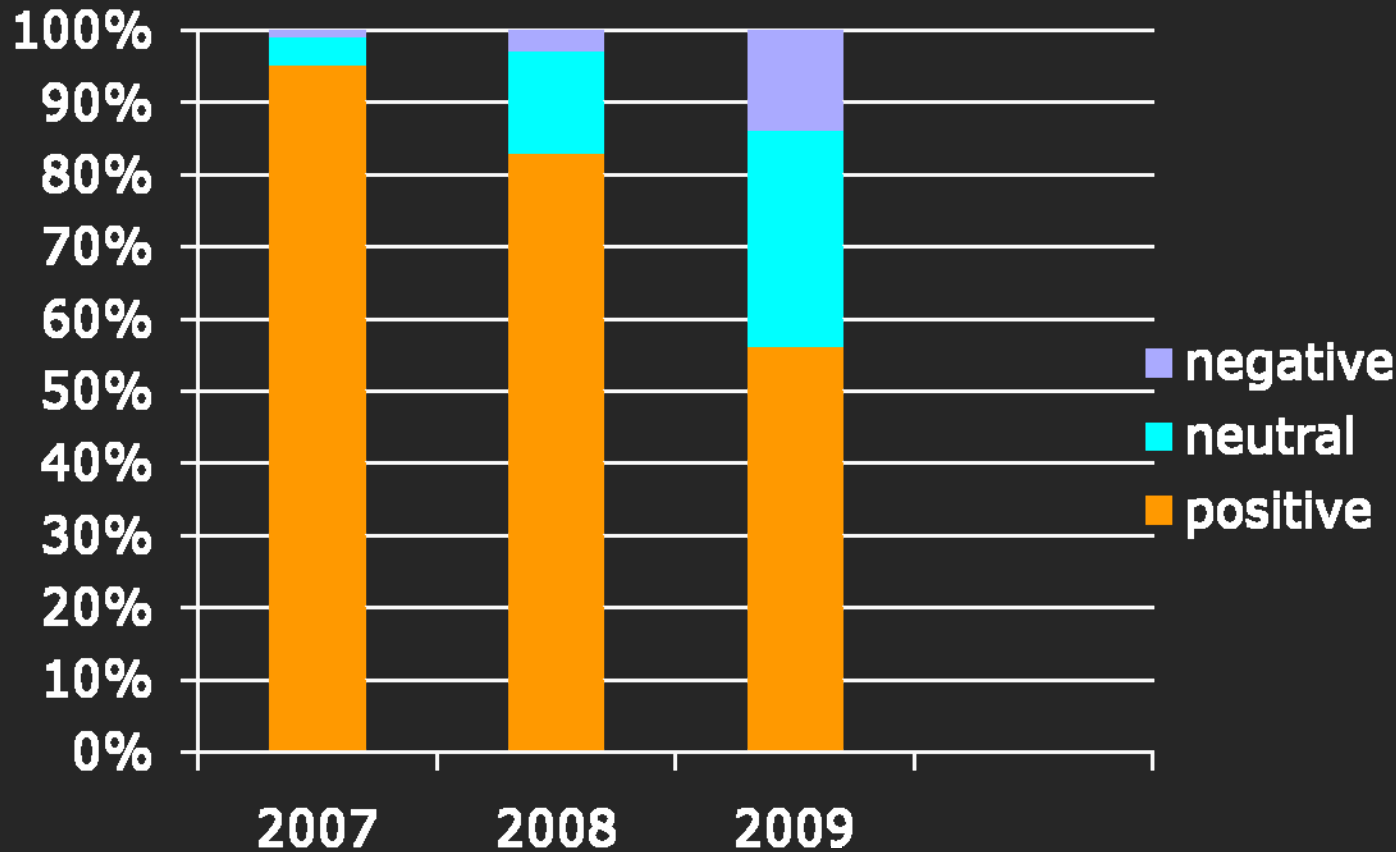
## Local business growing faster than industry sectors

- 55% feel they will outpace their industry growth
- 38% believe their industry will not see strong growth in 2010
- 20% believe they will lag behind their industry's growth trend



# *businessfirst* Charlotte's business climate

**Local business climate rating falls, reflecting the effects of the recession**



# *businessfirst* Charlotte's business climate

## Top assets

- ✓ Colleges and Universities
- ✓ Availability of Qualified Personnel
- ✓ Community Safety
- ✓ Quality of workforce training programs

## Top challenges

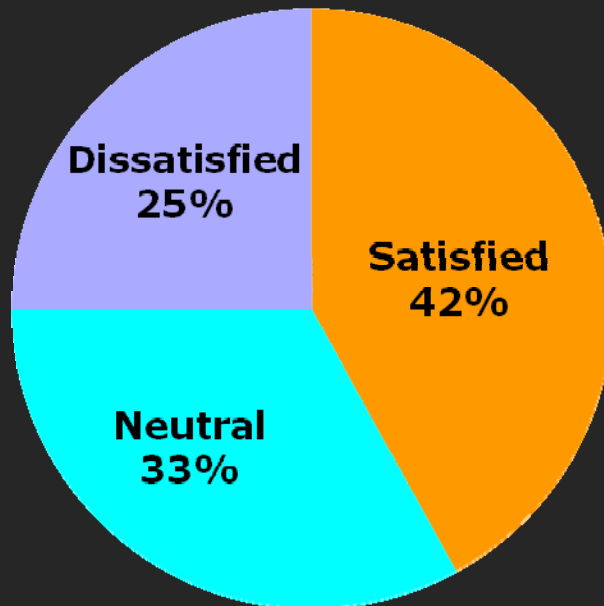
- ✗ Availability of Capital/Financing
- ✗ Overall Cost of Doing Business
- ✗ Building Development Regulations
- ✗ Local Roads and Highways



# *businessfirst* Charlotte's business climate

## Overall cost of doing business

- New measure for 2010
  - Labor costs, utility rates, taxes & fees, cost of living



# *businessfirst* Charlotte's business climate

## Overall cost of doing business

- 2009 Kosmont-Rose Institute Cost of Doing Business Index
- Charlotte ranked as one of 50 low cost cities (out of 421 surveyed)
- Lower cost than:
  - Raleigh & Greensboro
  - Denver, Indianapolis, Jacksonville, Nashville and Tampa



# *businessfirst* summary

Since 2008, economic conditions have changed significantly; however:

- Majority of local businesses expect slight economic rebound in 2010, producing moderate job growth.
- Charlotte remains a competitive and stable place for business growth.

In 2010, *BusinessFirst Charlotte* will continue to be proactive in assisting businesses and will conduct annual survey to gauge progress





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